

MEMORANDUM OF AGREEMENT

BETWEEN

THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF AMERICA

AND THE

MINISTRY OF DEFENCE OF THE KINGDOM
OF NORWAY

FOR

TECHNOLOGY DEMONSTRATION AND SYSTEM PROTOTYPE PROJECTS

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PREAMBLE

The Department of Defense of the United States of America (DoD) and the Ministry of Defense of the Kingdom of Norway (MoD), hereinafter referred to as the "Parties":

Recognizing the benefits of cooperation in the field of defense research and technology

Recognizing the benefits to be obtained from standardization, rationalization, and interoperability of military equipment;

Seeking to make the best use of their respective research and technology development capacities; eliminate unnecessary duplication of work; encourage interoperability; and obtain the most efficient and cost effective results through cooperation in Technology Demonstration and System Prototype Projects;

Agreeing that cooperative Projects under this Agreement will be of an equitable and mutually beneficial nature, and will be based upon a just and fair division of rights, responsibilities, risks, costs, tasks, and information sharing;

Agreeing to equitably share both the costs of each Project and the benefits resulting from the Project efforts and to foster cooperation in future Project Agreements (PA) between the Parties; and

Desiring to improve their respective conventional defense capabilities through the application of emerging technology;

Have agreed as follows:

ARTICLE I

DEFINITIONS

For the purposes of this Technology Demonstration and System Prototype Projects (TDSP) Agreement and any of its specific PAs, the following definitions shall apply:

Classified Information	Official information that requires protection in the interests of national security and is so designated by the application of a security classification marking. It may be in oral, visual, magnetic, or documentary form, or in the form of equipment or technology.
Contract	Any mutually binding legal relationship under national law that obligates a Contractor to furnish supplies or services, and obligates one or both of the Parties to pay for them.
Contracting	The obtaining of supplies or services by Contract from sources outside the government organizations of the Parties. Contracting includes description (but not determination) of supplies and services required, solicitation and selection of sources, preparation and award of Contracts, and all phases of Contract administration.
Contracting Agency	The entity within the government organization of a Party, which has authority to enter into, administer, and/or terminate Contracts.
Contracting Officer	A person representing a Contracting Agency of a Party who has the authority to enter into, administer, and/or terminate Contracts.
Contractor	Any entity awarded a Contract by a Party's Contracting Agency.
Controlled Unclassified Information	Unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. Whether the information is provided or generated under this Agreement, the information shall be marked to identify its "in confidence" nature. It could include information that has been declassified, but remains controlled.
Defense Purposes	Manufacture or other use in any part of the world by or for the armed forces of any Party.

Designated Security Authority (DSA)	The security office approved by national authorities to be responsible for the security aspects of this Agreement.
Financial Costs	Any PA costs that, due to their nature, will be paid using monetary contributions from the Parties.
Financial Management Procedures Document (FMPD)	A document that describes the estimated schedule, handling, and auditing of monetary contributions for a PA in which one Party contracts on behalf of the other Party or on behalf of both Parties to fulfil the objectives of that PA.
Non-Financial Costs	Any PA costs that, due to their nature, will be paid using non-monetary contributions from the Parties.
Patent	Legal protection of the right to exclude others from making, using, or selling an invention. The term refers to any and all Patents including, but not limited to, Patents of implementation, improvement, or addition, petty Patents, utility models, appearance design Patents, registered designs, and inventor certificates or like statutory protections as well as divisions, reissues, continuations, renewals, and extensions of any of these.
Project Agreement (PA)	An implementing agreement to this Agreement that specifically details the terms of collaboration on a specific project.
Project Equipment	Any material, equipment, end item, subsystem, component, special tooling or test equipment used in a specific PA.
Project Background Information	Project Information not generated in the performance of a specific PA.
Project Foreground Information	Project Information generated in the performance of a specific PA.
Project Information	Any information regardless of form or type provided to, generated in, or used in a PA.
Project Invention	Any invention or discovery formulated or made (conceived or first actually reduced to practice) by or for the Parties in the course of work performed under a PA. The term "first actually reduced to practice" means the first demonstration sufficient to establish to one skilled in the art to which the invention pertains, of the operability of an invention for its intended purpose and in its intended environment.

**Technology
Demonstration and
System Prototype
(TDSP) Project**

Specific collaborative activity to perform research on and/or to develop basic, exploratory, or advanced technologies that are described in a PA. Activities may include conceptual studies, technology demonstrations, and system prototyping, but do not include projects in the engineering and manufacturing development phase.

Third Party

A government other than the government of a Party and any person or other entity whose government is not the government of a Party.

ARTICLE II

OBJECTIVES

2.1. In order to foster defense cooperation between the Parties, the objective of this Agreement is to define and establish the general terms and conditions which shall apply to the initiation, conduct, and management of projects detailed in separate PAs between representatives authorized in accordance with national procedures of the Parties. These PAs shall be entered into pursuant to this Agreement and shall incorporate by reference the terms of this Agreement.

2.2. Detailed terms and conditions of each individual PA shall be consistent with this Agreement. Each PA shall include specific provisions concerning the identification of the objectives, scope of work, sharing of work, management structure, financial arrangements and classification for the applicable PA in general accordance with the format set forth in Annex A. In addition, and if necessary, each PA shall contain provisions for providing Project Equipment.

ARTICLE III

SCOPE OF WORK

3.1. The scope of work for this Agreement shall encompass collaboration in research and Development, joint experiments, and experimental hardware and software design; as well as development, construction, testing and operation, related to defense technologies whose maturation may lead to technologically superior conventional weapon systems. PAs may include conceptual studies, technology demonstrations, and system prototyping.

3.2. This Agreement does not preclude entering into any other agreement in the area of research and development. Engineering and manufacturing development or production or support projects that may evolve from collaboration under one or more PAs under this Agreement are outside of the scope of this Agreement and require establishment of a separate memorandum of agreement. When such a project appears possible, the appropriate Steering Committee (SC) members or, if there is no SC, the appropriate Project Officers (POs) shall consult with each other and with their organizations authorized to negotiate cooperative international projects to discuss the possibility of a memorandum of agreement.

3.3. Information exchanged specifically for the purpose of harmonizing the Parties' requirements for formulating, developing, and negotiating PAs is permitted under this Agreement. If information is exchanged but no PA is signed, Article VIII (Disclosure and Use of Project Information) of this Agreement shall apply and the receiving Party may only use such exchanged information received from the other Party to the extent it qualifies as Government or Contractor Project Background Information. For purposes of applying Article XII (Third Party Sales and Transfers), such exchanged information shall be treated as Project Background Information.

ARTICLE IV

MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

4.1. The Director for International Cooperation, Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics) (or his/her successor in the event of reorganization) is designated as the U.S. TDSP Agreement Principal (TDSP AP). The Deputy Director General of The Ministry of Defense (Department of Defense Resources) (or his/her successor in the event of reorganization) is designated as the Norwegian TDSP AP. The TDSP APs shall be responsible for:

- 4.1.1. Monitoring implementation of this Agreement and exercising executive-level oversight;
- 4.1.2. Reviewing recommended amendments to this Agreement in accordance with Article XVIII (Amendment);
- 4.1.3. Resolving issues brought forth by the TDSP Executive Agents.

4.2. The appropriate US Service Acquisition Executive or Defense Agency Director, or his/her designee, is designated US TDSP Executive Agent (US TDSP/EA) for those projects within his/her respective military service or defense agency. The appropriate Material Command Executive or Director General of Norwegian Defense Research Establishment, or his/her designee, is designated Norwegian TDSP Executive Agent (Norwegian TDSP/EA) within his/her command or establishment. The TDSP/EAs shall be responsible for:

- 4.2.1. Concluding appropriate PAs in accordance with this Agreement and national policies and procedures;
- 4.2.2. Establishing an appropriate management structure for each PA considering its scope and the requirement for a SC;
- 4.2.3. Appointing POs and, as appropriate, SC members.
- 4.2.4. Providing administrative direction to appropriate SCs, if established, or POs appointed to their projects.
- 4.2.5. Approving plans for disposal of jointly acquired Project Equipment if a SC is not established; and
- 4.2.6. Monitoring the security aspects of each PA.

4.2.7. Resolving issues brought forth by the SC or, if no SC is established, by the POs.

4.3. If a SC is established under a particular PA, it shall be responsible for providing policy and management direction to the POs during PA execution and monitoring overall implementation, including technical, cost, and schedule performance against requirements, and approving plans for disposal of jointly acquired Project Equipment, in accordance with the terms of the PA. The SC shall also be responsible for resolving issues brought forth by the POs, maintaining oversight of the security aspects of a project, approving assignment of personnel work on a project at the other Party's facilities, and appointing a project security officer. If one Party contracts on behalf of the other Party or on behalf of both Parties, the SC shall be responsible for establishing the detailed financial management procedures of a PA. These procedures shall be contained in the FMPD and shall accord with the national accounting and audit requirements of the Parties.

4.4. In accordance with the terms of the PA, the POs shall have primary responsibility for effective implementation, efficient management and direction of their assigned PA including technical, cost, and schedule performance against requirements. The POs shall be responsible for reporting status and activity of assigned PAs on an annual basis to the SC or, if no SC is established, to the TDSP/EAs. Additionally, the POs shall have the responsibilities under paragraph 4.3 if no SC is established for their PA, except that the TDSP/EA shall be responsible for resolving issues brought forth by the POs. The POs shall also maintain a list of all Project Equipment transferred by either of the Parties.

4.5. The TDSP/EAs shall meet on a regular basis, alternatively in the United States and Norway, as appropriate. The Chairman for each meeting shall be the senior official of the host Party. During such meetings, all decisions will be made unanimously with each Party having one vote.

ARTICLE V

FINANCIAL ARRANGEMENTS

5.1. Each Party shall contribute its equitable share of the full Financial and Non-financial Costs of each PA, including overhead costs, administrative costs and cost of claims (consistent with Article XIII of this Agreement), and shall receive an equitable share of the results of each PA.

5.2. Detailed descriptions of the financial arrangements for a PA, including the total cost of the PA and each Party's share of the total cost, shall be included in the PA.

5.3. Both Parties shall perform, or have performed, their tasks and shall use their best efforts to perform the tasks within the cost estimates specified in each PA. Both Parties shall bear the full costs they incur for performing, managing, and administering their own activities under this Agreement and participation in each PA, including their share of the costs of any Contracts under paragraph 5.6. below.

5.4. The following costs shall be borne entirely by the Party incurring the costs:

5.4.1. costs associated with any unique national requirements identified by a Party;
and

5.4.2. any other costs outside the scope of this Agreement and its PAs.

5.5. A Party shall promptly notify the other Party if available funds will not be adequate to fulfill its obligations as agreed under a PA, or if it appears that the cost estimates in a PA will be exceeded, and both Parties shall immediately consult with a view toward continuation on a modified basis.

5.6. If one Party contracts on behalf of the other Party or on behalf of both Parties, each Party shall make funds available in the amounts and at the times set forth in the estimated schedule for monetary contributions, as described in the FMPD.

5.7. The Parties recognise that, in performing Contracting responsibilities on behalf of the other Party, it may become necessary for the Contracting Party to incur contractual or other obligations for the benefit of the other Party prior to the receipt of the other Party's funds. In such event, the other Party shall make funds available in such amounts and at such times as required by a Contract or other obligation and shall pay any damages and costs that may accrue from the performance or cancellation of the Contract or other obligation in advance of the time such payments, damages, or costs are due.

5.8. Each Party shall be responsible for the audit of its or its Contractors' activities pursuant to a PA. A Party's audits will be in accordance with its own national practices and the FMPD. For PA efforts where funds are transferred between the Parties, the receiving Party shall be responsible for the audit regarding administration of the other Party's funds in accordance with the receiving Party's national practices. Audit reports of such funds shall be promptly made available by the receiving Party to the other Party.

5.9. The allocation of costs associated with the assignment of Cooperative Project Personnel is specified in Annex (a) (Assignment of _____ Cooperative Project Personnel).

ARTICLE VI

CONTRACTUAL ARRANGEMENTS

6.1. If either Party determines that Contracting is necessary to fulfill that Party's obligations under the scope of work of a PA, that Party shall contract in accordance with its respective national laws, regulations and procedures. When one Party individually contracts to carry out a task under a PA, it shall be solely responsible for its own contracting, and the other Party shall not be subject to any liability arising from such contracts without its written consent.

6.2. The Parties may also determine that one Party's Contracting Agency should enter into a Contract to fulfill their obligations under a PA. That Contracting Agency shall contract for both Parties in accordance with its respective national laws, regulations, and procedures. If necessary to meet the requirements of a PA, the DoD's Contracting Officer or the MoD Contracting Agency shall seek deviations from national regulations and procedures wherever possible. The DoD Contracting Officer or the MoD Contracting Agency shall be the exclusive source for providing contractual direction and instructions to Contractors for Contracts awarded by that Party.

6.3. For all Contracting activities performed by either Party, the POs shall, upon request, be provided a copy of all statements of work and other contractual documents prior to the development of solicitations to ensure that they are consistent with the provisions of this Agreement and the applicable PA.

6.4. For all Contracting activities performed by either Party, each Party's Contracting Agency shall negotiate to obtain the rights to use and disclose Project Information required by Article VIII (Disclosure and Use of Project Information). Each Party's Contracting Agency shall insert into its prospective Contracts (and require its Contractors to insert in subcontracts) suitable provisions to satisfy the requirements of this Agreement, including Article VIII (Disclosure and Use of Project Information), Article IX (Controlled Unclassified Information), Article XI (Security), Article XII (Third Party Sales and Transfers) and, where applicable, Article XIII (Liability and Claims). During the Contracting process, each Party's Contracting Officer shall advise prospective Contractors of their obligation to notify the Contracting Agency immediately if they are subject to any license or agreement that will restrict that Party's freedom to disclose Project Information or permit its use. The Contracting Officer shall also advise prospective Contractors to employ their best efforts not to enter into any new agreement or arrangement that will result in restrictions:

6.5. In the event a Party's Contracting Agency is unable to secure adequate rights to use and disclose Project Information as required by Article VIII (Disclosure and Use of Project Information), or is notified by Contractors or potential Contractors of any restrictions on the disclosure and use of Project Information, that Party's PO shall notify the other Party's PO of the restriction(s).

6.6. Each Party's PO shall promptly advise the other Party's PO of any cost growth, schedule delay, or performance problems of any Contractor for which its Contracting Agency is responsible.

6.7. No requirement shall be imposed for worksharing or other industrial or commercial compensation in connection with this Agreement that is not in accordance with this Agreement.

6.8. Normal Contract administration services shall be provided in accordance with the Memorandum of Understanding Between the Government of Norway and the Government of the United States of America concerning the Principles Governing Mutual Cooperation in the Research and Development, Production and Procurement, dated 19 May 1978, or any successor thereto.

ARTICLE VII

PROJECT EQUIPMENT

7.1. Each Party may provide Project Equipment identified as being necessary for executing a specific PA to the other Party. Such Project Equipment shall remain the property of the providing Party. A list of all Project Equipment provided by one Party to another Party shall be developed, maintained, approved, and amended by the POs and shall be included in an annex to each PA.

7.2. The receiving Party shall maintain any such Project Equipment in good order, repair, and operable condition and return the items in as good condition as received, normal wear and tear excepted, unless the providing Party has authorized, before transfer, that the Project Equipment may be expended or otherwise consumed in connection with a PA without reimbursement to the providing Party. The receiving Party shall pay to the providing Party the replacement value of any Project equipment that is lost or destroyed beyond economical repair.

7.3. All Project Equipment that is transferred shall be used by the receiving Party only for the purposes of carrying out the activities under a PA. In addition, in accordance with Article XII (Third Party Sales and Transfers) Project Equipment shall not be re-transferred to a Third Party without the prior written consent of the providing Party.

7.4. The providing Party shall deliver Project Equipment to the receiving Party at a mutually agreed location. Possession of the Project Equipment shall pass from the providing Party at the time of receipt of the Project Equipment. Any further transportation is the responsibility of the receiving Party.

7.5. Project Equipment transferred to one Party under a PA shall be returned to the providing Party prior to the termination or expiration of that PA.

7.6. Any Project Equipment which is jointly acquired on behalf of both Parties for use under a PA shall be disposed of during the PA or when the PA ceases, as agreed or directed by the Steering Committee or, if no Steering Committee is established, the POs.

7.7. Disposal of jointly acquired Project Equipment may include a transfer of the interest of one Party in the Project Equipment to the other Party, or the sale of such Equipment to a Third Party in accordance with Article XII (Third Party Sales and Transfers). The Parties shall share the consideration from jointly acquired Project Equipment transferred or sold to a Third Party in a manner they determine to be fair at the time.

ARTICLE VIII

DISCLOSURE AND USE OF PROJECT INFORMATION

8.1. General

Both Parties recognize that successful collaboration depends on full and prompt exchange of information necessary for carrying out each PA. The Parties intend to acquire sufficient Project Information and rights to use such information to enable the collaboration on basic, exploratory, and advanced technologies whose maturation may lead to the development of technologically superior systems. The nature and amount of Project Information to be acquired shall be in accordance with the objectives and scope stated in the PAs to this Agreement.

Ownership of Government Project Foreground Information or Contractor Project Foreground Information shall be allocated to the government or a Contractor in accordance with the national laws, regulations, or policies of the Party who generates the Project Information or whose Contractor generates the Project Information. Consistent with Article XII (Third Party Sales and Transfers), the Party generating Government Project Foreground Information, or whose Contractor generates and delivers Contractor Project Foreground Information, shall retain its rights of use of such Project Information.

8.2. Government Project Foreground Information

8.2.1. Disclosure: Project Foreground Information generated in whole or in part by a Party's military or civilian employees shall be disclosed without charge to both Parties.

8.2.2. Use: Each Party may use all Government Project Foreground Information without charge for its Defense Purposes. The Party generating Government Project Foreground Information shall retain its rights of use thereof. If a Party intends to use any Government Project Foreground Information in a sale or other transfer to a Third Party, however, the provisions of Article XII (Third Party Sales and Transfers) of this Agreement shall apply.

8.3. Government Project Background Information

8.3.1. Disclosure: Each Party, upon request, shall disclose to the other Party any relevant Government Project Background Information generated by its military or civilian employees, provided that:

8.3.1.1. such Government Project Background Information is necessary to or useful in a specific PA. The Party which owns or holds

rights to use that information shall determine whether it is "necessary to" or "useful in" the specific PA; and

8.3.1.2. such Government Project Background Information may be made available without incurring liability to holders of proprietary rights; and

8.3.1.3. disclosure is consistent with national disclosure policies and regulations of the furnishing Party.

8.3.2. Use: Government Project Background Information disclosed by one Party to the other may be used without charge by the other Party for purposes of any PA under this Agreement. The furnishing Party shall retain its rights with respect to such Government Project Background Information.

8.4. Contractor Project Foreground Information

8.4.1. Disclosure: Project Foreground Information generated and delivered by Contractors shall be disclosed without charge to both Parties.

8.4.2. Use: Each Party may use without charge for its Defense Purposes all Contractor Project Foreground Information generated and delivered by Contractors of the other Party. The Party whose Contractors generate and deliver Contractor Project Foreground Information shall retain its rights of use thereto in accordance with the applicable Contract(s). If a Party intends to use any Contractor Project Foreground Information in a sale or other transfer to a Third Party, the provisions of Article XII (Third Party Sales and Transfers) of this Agreement shall apply.

8.5. Contractor Project Background Information

8.5.1. Disclosure: Any relevant Contractor Project Background Information, (including information subject to proprietary rights) generated and delivered by Contractors shall be made available to the other Party provided the following conditions are met:

8.5.1.1. such Contractor Project Background Information is necessary to or useful in a specific PA. The Party which holds rights to use that information shall determine whether it is "necessary to" or "useful in" the specific PA; and

8.5.1.2. such Contractor Project Background Information may be made available without incurring liability to holders of proprietary rights; and

8.5.1.3. disclosure is consistent with national disclosure policies and regulations of the furnishing Party.

8.5.2. Use: Contractor Project Background Information furnished by one Party's Contractors and disclosed to the other Party may be used without charge by the other Party for purposes of any PA under this Agreement, but it may be subject to further restrictions by holders of proprietary rights. The furnishing Party shall retain its rights with respect to such Contractor Project Background Information.

8.6. Alternative uses of Project Information

8.6.1. The prior written consent of each Party shall be required for the use of any Project Foreground Information for purposes other than those provided for in this Agreement or any PA under it.

8.6.2. Any Project Background Information provided by one Party shall be used by the other Party only for the purposes set forth in this Agreement, unless otherwise consented to in writing by the providing Party.

8.7. Proprietary Project Information

8.7.1. All Project Information subject to proprietary interests shall be identified and marked, and it shall be handled in accordance with Article IX (Controlled Unclassified Information).

8.7.2. The provisions of the NATO Agreement on the Communication of Technical Information for Defense Purposes, done at Brussels on 19 October 1970, and the Implementing Procedures for the NATO Agreement on the Communication of Technical Information for Defense Purposes, approved by the North Atlantic Council on 1 January 1971, shall apply to proprietary Project Information related to this Agreement.

8.8. Patents

8.8.1. Where a Party owns title to a Project Invention, or has the right to receive title to a Project Invention, that Party shall consult with the other Party regarding the filing of a Patent application for such Project Invention. The Party which has or receives title to such Project Invention shall, in other countries, file, cause to be filed, or provide the other Party with the opportunity to file on behalf of the Party holding title, or its Contractors, as appropriate, Patent applications covering that Project Invention. If a Party having filed or caused to be filed a Patent application decides to stop prosecution of the application, that Party shall notify the other Party of that decision and permit the other Party to continue the prosecution.

- 8.8.2. The other Party shall be furnished with copies of Patent applications filed and Patents granted with regard to Project Inventions.
- 8.8.3. The other Party shall acquire a non-exclusive, irrevocable, royalty-free license to practice or have practiced, by or on behalf of the Party, throughout the world for Defense Purposes, any Project Invention.
- 8.8.4. Patent applications to be filed under this Agreement or its PAs and which contain Classified Information, shall be protected and safeguarded in accordance with the requirements contained in the NATO Agreement for the Mutual Safeguarding of Secrecy of Inventions Relating to Defense and for which applications for Patents have been made, done in Paris on 21 September 1960, and its implementing Procedures.
- 8.8.5. Each Party shall notify the other Party of any Patent infringement claims made in its territory arising in the course of work performed under any PA of this Agreement. Insofar as possible, the other Party shall provide information available to it that may assist in defending the claim. Each Party shall be responsible for handling all Patent infringement claims made in its territory, and shall consult with the other Party during the handling, and prior to any settlement, of such claims. The Parties shall share the costs of resolving Patent infringement claims in a manner they determine to be fair at the time the patent infringement claim is resolved. The Parties shall, in accordance with their national laws and practices, give their authorization and consent for all use and manufacture in the course of work performed under the Project of any invention covered by a Patent issued by their respective countries.

ARTICLE IX

CONTROLLED UNCLASSIFIED INFORMATION

9.1. Except as otherwise provided in this Agreement or as authorized in writing by the originating Party, Controlled Unclassified Information provided or generated pursuant to this Agreement and any of its PAs shall be controlled as follows:

- 9.1.1. Such information shall be used only for the purposes authorized for use of Project Information as specified in Article VIII (Disclosure and Use of Project Information).
- 9.1.2. Access to such information shall be limited to personnel whose access is necessary for the permitted use under subparagraph 9.1.1., and shall be subject to the provisions of Article XII (Third Party Sales and Transfers).
- 9.1.3. Each Party shall take all lawful steps, which may include national classification, available to it to keep such information free from further disclosure (including requests under any legislative provisions), except as provided in subparagraph 9.1.2., unless the originating Party consents to such disclosure. In the event of unauthorized disclosure, or if it becomes probable that the information may have to be further disclosed under any legislative provision, immediate notification shall be given to the originating Party.

9.2. To assist in providing the appropriate controls, the originating Party shall ensure that Controlled Unclassified Information is appropriately marked. The Parties shall decide, in advance and in writing, on the markings to be placed on the Controlled Unclassified Information. The appropriate markings shall be defined in the Project Security Instruction.

9.3. Controlled Unclassified Information provided or generated pursuant to this TDSP Agreement and any of its PAs shall be handled in a manner that ensures control as provided for in paragraph 9.1.

9.4. Prior to authorizing the release of Controlled Unclassified Information to Contractors, the Parties shall ensure that the Contractors are legally bound to control such information in accordance with the provisions of this Article.

ARTICLE X

VISITS TO ESTABLISHMENTS

10.1. Each Party shall permit visits to its government establishments, agencies and laboratories, and Contractor industrial facilities by employees of the other Party or by employees of the other Party's Contractor(s), provided that the visit is authorized by both Parties and the employees have any necessary and appropriate security clearances and a need-to-know.

10.2. All visiting personnel shall be required to comply with security regulations of the host Party. Any information disclosed or made available to visitors shall be treated as if supplied to the Party sponsoring the visiting personnel, and shall be subject to the provisions of this Agreement.

10.3. Requests for visits by personnel of one Party to a facility of the other Party shall be coordinated through official channels, and shall conform to the established visit procedures of the host country. Requests for visits shall bear the name of this Agreement and the appropriate PA.

10.4. Lists of personnel of each Party required to visit, on a continuing basis, facilities of the other Party shall be submitted through official channels in accordance with recurring international visit procedures.

ARTICLE XI

SECURITY

11.1. All Classified Information provided or generated pursuant to this Agreement and any of its PAs shall be stored, handled, transmitted, and safeguarded in accordance with the General Security Agreement between Norway and the United States of America, of 26 February 1970, amended 27 September 1984, and including the Industrial Security Annex thereto, of 24 October 1984.

11.2. Classified Information shall be transferred only through official government-to-government channels or through channels approved by the Designated Security Authorities (DSAs) of the Parties. Such information shall bear the level of classification, denote the country of origin, the conditions of release, and the fact that the information relates to this Agreement and the applicable PA.

11.3. Each Party shall take all lawful steps available to it to ensure that information provided or generated pursuant to this Agreement and any of its PAs is protected from further disclosure, except as permitted by paragraph 11.4, unless the other Party consents to such disclosure. Accordingly, each Party shall ensure that:

11.3.1. The recipient shall not release the Classified Information to any government, national, organization, or other entity of a Third Party without the prior written consent of the originating Party in accordance with the procedures set forth in Article XII (Third Party Sales and Transfers).

11.3.2. The recipient shall not use the Classified Information for other than the purposes provided for in this Agreement and any of its PAs.

11.3.3. The recipient shall comply with any distribution and access restrictions on information that is provided under this Agreement and any of its Annexes.

11.4. Each Party shall ensure that access to the Classified Information is limited to those persons who possess requisite security clearances and have a specific need for access to the information in order to participate in this Agreement or any of its PAs.

11.5. The Parties shall investigate all cases in which it is known or where there are grounds for suspecting that Classified Information provided or generated pursuant to this Agreement has been lost or disclosed to unauthorized persons or other entities. Each Party also shall promptly and fully inform the other Party of the details of any such occurrences, and of the final results of the investigation and of the corrective action taken to preclude recurrences.

11.6. When a PA contains provisions for the exchange of Classified Information, the POs shall

prepare a Project Security Instruction and a Classification Guide for the PA. The Project Security Instruction and the Classification Guide shall describe the methods by which Project Information and material shall be classified, marked, used, transmitted, and safeguarded. The Instruction and Guide shall be developed by the POs within three months after the PA enters into force. They shall be reviewed and forwarded to the appropriate DSA and shall be applicable to all government and Contractor personnel participating in the Project. The Classification Guide shall be subject to regular review and revision with the aim of downgrading the classification whenever this is appropriate. The Project Security Instruction and the Classification Guide shall be approved by the appropriate DSA prior to the transfer of any Classified Information or Controlled Unclassified Information.

11.7. Contractors, prospective Contractors, or subcontractors which are determined by DSAs to be under financial, administrative, policy or management control of nationals or entities of a Third Party, may participate in a Contract or subcontract requiring access to Classified Information provided or generated pursuant to this Agreement and any of its PAs only when enforceable measures are in effect to ensure that nationals or other entities of a Third Party shall not have access to Classified Information. If enforceable measures are not in effect to preclude access by nationals or other entities of a Third Party, the other Party shall be consulted for approval prior to permitting such access.

11.8. For any facility wherein Classified Information is to be used, the responsible Party or Contractor shall approve the appointment of a person or persons to exercise effectively the responsibilities for safeguarding at such facility the information or material pertaining to this TDSP Agreement and any of its PAs. These officials shall be responsible for limiting access to Classified Information involved in this TDSP Agreement and any of its PAs to those persons who have been properly approved for access and have a need-to-know.

11.9. Information or material provided or generated pursuant to this Agreement may be classified as high as SECRET. The existence of this Agreement is UNCLASSIFIED and the contents are UNCLASSIFIED.

ARTICLE XII

THIRD PARTY SALES AND TRANSFERS

12.1. Except to the extent permitted in paragraph 12.2, the Parties shall not sell, transfer title to, disclose, or transfer possession of Project Foreground Information or jointly acquired or produced Project Equipment to any Third Party without the prior written consent of the other Party. The other Party's prior written consent shall be necessary for any such sale, disclosure, or transfer even if it will be made by the owner of the item. Furthermore, such sales, disclosures, or transfers shall only be made if the government of the intended recipient consents in writing with the Parties that it shall:

12.1.1. not retransfer, or permit the further retransfer of, any equipment or information provided; and

12.1.2. use, or permit the use of, the equipment or information provided only for the purposes specified by the Parties.

12.2. Each Party shall retain the right to sell, transfer title to, disclose, or transfer possession of Project Foreground Information which is:

12.2.1. generated solely by either Party or that Party's Contractors in the performance of that Party's work allocation under a PA or Article III (Scope of Work); and

12.2.2. which does not include any Project Foreground Information or Project Background Information of the other Party and whose generation, test, or evaluation has not relied on the use of Project Equipment of the other Party.

12.3. A Party shall not sell, transfer title to, disclose, or transfer possession of Project Equipment or Project Background Information provided by the other Party, to any Third Party without the prior written consent of the Party which provided such equipment or information. The providing Party shall be solely responsible for authorizing such transfers and, as applicable, specifying the method and conditions for implementing such transfers.

ARTICLE XIII

LIABILITY AND CLAIMS

13.1. If applicable, claims against either Party or its personnel shall be dealt with in accordance with the terms of Article VIII of the NATO Status of Forces Agreement (NATO SOFA) dated 19 June 1951. Civilian employees of the Parties assigned to duty within their government's Defense Department or Ministry shall be deemed for the purpose of Article VIII of NATO SOFA to be members of a civilian component within the meaning of Article I of NATO SOFA while present in the territory of the other Party for the purpose of this Agreement.

13.2. Where NATO SOFA is not applicable, the following shall apply:

13.2.1. With the exception of claims for loss of or damage to Project Equipment (which is addressed in Article VII (Project Equipment)), each Party waives all claims against the other Party for injury to or death of its military or civilian personnel and for damage to or loss of its property (including jointly acquired property) caused by such personnel (which do not include Contractors under a PA) of that other Party. However, if such injury or death to military or civilian personnel or damage or loss to property results from reckless acts or reckless omissions, wilful misconduct, or gross negligence of the other Party's personnel, the cost of any liability shall be borne by that Party alone.

13.2.2. Claims from any person not a member of the civilian or military personnel of a Party for injury, death, damage, or loss will be processed by the most appropriate Party, as determined by both Parties. Generally, this shall be the Party in whose country the claim arose. The costs incurred in satisfying such claims shall be borne in a ratio to be determined by both Parties, unless the injury, death, damage, or loss results from reckless acts or reckless omissions, wilful misconduct, or gross negligence of a Party's personnel, in which case the costs of satisfying the claim shall be borne by that Party alone.

13.2.3. In the case of damage caused by or to jointly acquired property of the Parties, where the cost of making good such damage is not recoverable from other persons, such cost shall be borne by the Parties in such proportions as they determine at that time.

13.3. Claims arising under or related to any Contract awarded pursuant to Article VI (Contractual Arrangements) shall be resolved in accordance with this Agreement, the provisions of the Contract, and as follows:

13.3.1. When one Party individually contracts to carry out a task under a PA, it shall be responsible for the cost of claims arising under that Contract and the other

Party will not be subject to any liability arising from such contracts without its written consent.

- 13.3.2. When one Party contracts on behalf of both Parties, they shall share the costs of claims arising under that contract in the same percentage that they share Financial Costs.
- 13.3.3. When one Party Contracts on behalf of the other Party, the Party for whom the Contracting is being done shall be responsible for the cost of claims arising under that Contract.
- 13.3.4. Patent infringement claim costs shall be shared in accordance with Article VIII (Disclosure and Use of Project Information), paragraph 8.8.5.

13.4. Employees and agents of Contractors shall not be considered to be civilian personnel employed by a Party for the purpose of paragraph 13.1. or 13.2.

ARTICLE XIV

CUSTOMS DUTIES, TAXES, AND SIMILAR CHARGES

14.1. Customs duties, import and export taxes, and similar charges shall be administered in accordance with each Party's respective laws and regulations. Insofar as existing national laws and regulations permit, the Parties shall endeavor to ensure that such readily identifiable duties, taxes and similar charges, as well as quantitative or other restrictions on imports and exports, are not imposed in connection with work carried out under each PA under this Agreement.

14.2. Each Party shall use its best efforts to ensure that customs duties, import and export taxes, and similar charges are administered in a manner favorable to the efficient and economical conduct of the work. If any such duties, taxes, or similar charges are levied, the Party in whose country they are levied shall bear such costs.

ARTICLE XV

SETTLEMENT OF DISPUTES

15.1. Disputes between the Parties arising under or relating to this Agreement and any of its PAs shall be resolved only by consultation between the Parties and shall not be referred to a national court, an international tribunal, or to any other person or entity for settlement.

ARTICLE XVI

LANGUAGE

16.1. The working language for this Agreement and its PAs shall be the English language.

16.2. All data and information generated under this Agreement and its implementing Contracts and provided by one Party to the other Party shall be furnished in the English language.

ARTICLE XVII

TERMINATION, ENTRY INTO FORCE, AND DURATION

17.1. All activities of the Parties under this Agreement shall be carried out in accordance with their national laws and in the event of any conflict between any Article or provision of this Agreement and a Party's national laws, the Party's national law will take precedence. In the event of a conflict between an Article of this Agreement and any Annex to this Agreement, the Article shall control. In the event of a conflict between the terms of this Agreement and any PA agreed to under its auspices, the Agreement shall govern.

17.2. The obligations of the Parties shall be subject to the availability of appropriated funds for such purposes.

17.3. This Agreement, which consists of 18 Articles and one Annex, shall enter into force upon signature by both Parties and shall remain in force for a period of ten years or until the Parties terminate it. All PAs shall terminate upon termination dates written into the subject PA or upon expiration of this Agreement. The means by which this Agreement and PAs agreed to under the auspices of this Agreement may be terminated shall be in accordance with the following:

17.3.1. This Agreement may be terminated at any time by the written consent of the Parties. The PAs may be terminated at any time by the written consent of the TDSP EAs. In the event both Parties consent to terminate this Agreement, or decide to terminate any PA, the Parties shall consult prior to the date of termination to ensure termination on the most economical and equitable terms.

17.3.2. Either Party may terminate this Agreement upon at least six months written notification to the other Party of its intent to terminate the Agreement. During the period between notification of intention to terminate and the effective date of termination, it shall consult with the other Party about the most satisfactory arrangements to be made for continuation, transfer and completion of any outstanding work under ongoing PAs.

17.3.3. Either Party may terminate a specific PA upon 3 months written notification to the other Party. Such notice shall be the subject of immediate consultation by the TDSP APs or TDSP EAs, as appropriate, to decide upon the appropriate course of action.

17.4. In the event of termination of this Agreement or any PA under it, the following shall apply:

17.4.1. The Parties shall continue their participation, financial or otherwise, up to the effective date of termination of this Agreement or its PAs, as appropriate.

- 17.4.2. Except as to Contracts awarded on behalf of both Parties, each Party shall be responsible for its own PA-related costs associated with termination of the Agreement or any PA under it. For Contracts awarded on behalf of both Parties, the terminating Party shall pay all Contract modification and/or termination costs that would not have been incurred if the contract had continued. However, in no event shall a terminating Party's total financial contribution, including contract termination costs, exceed that Party's total financial contribution for the PA being terminated.
- 17.4.3. All Project Information and rights therein received under the provisions of this Agreement or PAs prior to termination of the Agreement or its PAs shall be retained by the Parties, subject to the provisions of this Agreement and its PAs.
- 17.4.4. Specific PA termination provisions may be established in the PA.
- 17.5. The respective rights and obligations of the Parties regarding Article VII (Project Equipment), Article VIII (Disclosure and Use of Project Information), Article IX (Controlled Unclassified Information), Article XI (Security), Article XII (Third Party Sales and Transfers), Article XIII (Liability and Claims) and Article XV (Settlement of Disputes), shall continue notwithstanding termination or expiration of this Agreement and any of its PAs.

ARTICLE XVIII

AMENDMENT

18.1. This Agreement may be amended at any time by the written consent of the Parties.

18.2. Any PA may be amended at any time by the written consent of those that signed that PA. Annexes to the PAs may be amended by the SC or, if there is no SC, the POs, except for Annex (a) (Assignment of Cooperative Project Personnel) to the Sample Project Agreement which may be changed or amended only by the Parties.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their governments, have signed this Agreement.

DONE, in duplicate, in the English language.

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF AMERICA


Signature

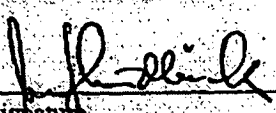
Edward C. Aldridge, Jr.
Name

Under Secretary Of Defense
(Acquisition, Technology & Logistics)
Title

25 JUN 2001
Date

Location

FOR THE MINISTER OF DEFENCE OF
THE KINGDOM OF NORWAY


Signature

Leif Lindbäck
Name

Director General
(Department of Defence Resources)
Title

18 July 2001
Date

Location

ANNEX A SAMPLE PROJECT AGREEMENT

TO THE

U.S.-NORWAY TECHNOLOGY DEMONSTRATION AND SYSTEM PROTOTYPE

PROJECTS AGREEMENT

DATED

PROJECT AGREEMENT NO. _____

between

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

and the

MINISTRY OF DEFENCE

OF THE KINGDOM OF NORWAY

CONCERNING

(FULL DESIGNATION OF THE PROJECT)

* **The Project Agreement Numbers shall be structured as follows:**

XX-NN-nnnn where XX is a US Military Service or Defense Agency designator such as N for Navy, A for Army, AF for Air Force, AR for ARPA, etc.; NN is the calendar year, and nnnn is a sequential number.

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(At a minimum, a PA should include the above Articles. If additional topics need to be addressed, articles, annexes, or special provisions should be included as necessary and appropriate.)

ARTICLE I

INTRODUCTION

This Project Agreement is entered into pursuant to the AGREEMENT between the Department of Defense of the United States of America (DoD) and the Ministry of Defense of the Kingdom of Norway (MoD) concerning Technology Demonstration and System Prototype Projects of

ARTICLE II

DEFINITION OF TERMS AND ABBREVIATIONS

(Define only those terms used in this PA that have not been defined in the TDSP AGREEMENT.)

(If the Parties will establish a joint project office and assign personnel to it, add the following definition and include annex (a):

Cooperative Project Personnel: In accordance with Annex (a), Government personnel assigned to a joint project office or facility pursuant to the terms of a PA who report to and take direction from the POs for the purpose of carrying out the PA. Government representatives described in such PAs as liaison officers or observers are not considered Cooperative Project Personnel.)

ARTICLE III

OBJECTIVES

The objectives of this _____ PA are:

- a. the development of _____
- b. the improvement of _____

(Project Officers are reminded that in the event that any PA shows promise of progressing beyond the research, development, technology demonstrator, or system prototype limits imposed by this Agreement, Article 3.2. of the Agreement should be consulted for guidance.)

ARTICLE IV

SCOPE OF WORK

The following work shall be undertaken under this PA.

- a. Develop _____

- b. Evaluate _____

- c. Design, fabricate and test _____

ARTICLE V

SHARING OF TASKS

The sharing of tasks shall be as follows:

- a. The DoD will _____

- b. The MoD will _____

- c. DoD and MoD will jointly _____

ARTICLE VI

BREAK DOWN AND SCHEDULE OF TASKS (OPTIONAL)

(Use this format when the tasks covered under this Project may be performed using multiple phases, requiring milestones or decision points.)

The Project shall proceed according to the following phases and schedule:

Phase 1

Start

End

Description of Phase 1

MM/DD/YY

MM/DD/YY

(Milestone 1) (e.g., Transmittal of Feasibility Report)

Phase 2

Description of Phase 2

Start

MM/DD/YY

End

MM/DD/YY

(Milestone 2) (e.g., Decision to proceed to Phase 3)

Phase 3

Description of Phase 3

Start

MM/DD/YY

End

MM/DD/YY

(Milestone 3) (e.g., Evaluation, analysis of results)

(Add as many phases as necessary.)

The final report must be transmitted to the TDSP/EAs six months before the termination date for this PA.

ARTICLE VII

MANAGEMENT

(If a TDSP Project does not require a Steering Committee, use the following format to set forth how the TDSP Project will be managed.)

Alternative 1

1. This PA shall be directed and administered on behalf of the Parties by one Project Officer (PO) from each Party. The POs are:

US PO

Title/Position _____

Organization _____

Address _____

NORWAY PO

Title/Position _____

Organization _____

Address

- 3. Particular Management Procedures:**

(If a TDSP Project requires the establishment of a Steering Committee, use the following format to set forth how the TDSP Project will be managed.)

1. This PA shall be directed and administered on behalf of the Parties by an organization consisting of a Steering Committee (SC) and one Project Officer (PO) from each Party. The SC members are:

US Co-Chairman	Title/Position	
	Organization	
	Address	

Norway Co-Chairman	Title/Position	_____
	Organization	_____
	Address	_____

- [illegible]

Organization _____

Address _____

NORWAY PO

Title/Position _____

Organization _____

Address _____

3. Project Offices shall be established in _____ (name of U.S. location) and in _____ (name of Norwegian location) (If a joint project office will be established, identify it here). The POs are responsible for management of those tasks listed as national responsibilities in Article V (Sharing of Tasks) in this PA.

4. Particular Management Procedures:

(Mention only those additional management responsibilities not covered under Article IV of the TDSP Agreement. For instance, if a PA will involve the exchange or development of Classified Information, the POs should be responsible for appointing security officers. Also, if a PA will be administered by one joint program office staffed by members each Party, add the following paragraph:

4.X. Either Party may assign personnel to the other Party's facilities to assist in administering a PA. The host Party shall provide office space and administrative support to personnel of the other Party in accordance with the host Party's normal practice. A Party's assigned personnel shall be subject to the normal procedures and regulations of the host Party. Provisions for the personnel provided are described in Annex (a) to this PA.)

ARTICLE VIII

FINANCIAL ARRANGEMENTS

The Parties estimate that the cost of performance of the tasks under this PA shall not exceed US\$ _____

Cooperative efforts of the Parties over and above the jointly agreed tasks set forth in the SCOPE OF WORK and SHARING OF TASKS and FINANCIAL ARRANGEMENTS sections shall be subject to amendment to this PA or signature for a new PA.

(If a PA will not involve one Party contracting for the other or both Parties, and no funds will be exchanged between the Parties, use the following format for the Financial Arrangements.)

Alternative 1

The DOD tasks shall not cost more than US \$: _____

The MOD tasks shall not cost more than NORWEGIAN kroner: _____

Or:

(If a PA will involve one Party contracting for the other Party or both Parties, or the Parties will transfer or exchange funds between them, use the following format for the Financial Arrangements.)

Alternative 2

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
NO						
US						

(Using the above table and whatever description is necessary, explain and demonstrate how the PA will be funded. Identify both financial (funds) and non-financial (range time, use of equipment, etc.) contributions and identify the amount of funds to be transferred between the Parties.)

(The Financial Management Procedures Document (FMPD) should be developed by the PO's and submitted to the SC (if appropriate) for approval. The FMPD should include as a minimum schedule, handling, funding levels by year, and auditing procedures for monetary contributions anticipated for this PA.)

ARTICLE IX

CLASSIFICATION

Only one of the three following possibilities must be selected:

- a. No Classified Information shall be exchanged under this PA;
- b. The highest level of Classified Information exchanged under this PA is: Confidential; or
- c. The highest level of Classified Information exchanged under this PA is: Secret.

ARTICLE X

PRINCIPAL ORGANIZATIONS INVOLVED

(List government laboratories, research centers, and other organizations for both the US and NORWAY.)

ARTICLE XI

LOAN OF MATERIALS, SUPPLIES AND EQUIPMENT

NOTES:

1. In the event that the collaborative efforts under the PA require the provision of Project Equipment to either Party, then a list of such Project Equipment must be developed and included as an Annex to the PA.

Providing Party	Receiving Party	QTY	Description	Part/ Stock #	Consumables/ Non-Consumables	Approx Value

2. If jointly acquired Project Equipment is an aspect of the collaborative efforts under the PA, then terms and conditions for the disposal of such jointly acquired Project Equipment must be included in an Annex to the PA.

ARTICLE XII

ENTRY INTO FORCE, DURATION AND TERMINATION

This _____ PA, a Project under the TDSP Agreement between the Department of Defense of the United States of America and the Ministry of Defence of the Kingdom of Norway shall enter into force upon signature by the TDSP Agreement Executive Agents, and shall remain in force for _____ years unless terminated by either Party. It may be extended by written agreement by the TDSP Agreement Executive Agents.

DONE, in duplicate, in the English language

For the US TDSP/EA

Signature

Name

Title

Date

Location

For the NORWAY TDSP/EA

Signature

Name

Title

Date

Location

Annex (a)

ASSIGNMENT OF (INSERT NAME OF PROJECT) COOPERATIVE PROJECT
PERSONNEL

1.0. Purpose and Scope:

1.1. This Annex to the Project Agreement (PA) establishes the provisions that will govern the conduct of Norwegian or U.S. Cooperative Project Personnel. During the term of the PA, each Participant will be permitted to assign military members or civilian employees of its MoD/DoD to the Joint Project Office (JPO), or to Norwegian or U.S. DoD field activities in accordance with this Annex. Cooperative Project Personnel will be able to perform all the responsibilities for the positions assigned to them under this PA. Commencement of assignments will be subject to any requirements that may be imposed by the other participant or its government regarding acceptance of PA Cooperative Project Personnel, such as, but not limited to, visas and visit request documentation. The U.S. DoD and Norwegian MoD SC representatives or in the event no SC is established, the POs, will determine the length of tour for the positions at the time of initial assignment.

1.2. Cooperative Project Personnel will be assigned to the JPO or to U.S. DoD or Norwegian MoD field activities for Project work (including work at U.S. or Norwegian contractor facilities) and will report to their designated supervisor within those organizations regarding that work. The designated supervisor shall be responsible for the creation of a document describing the duties of each CPP position, which will be subject to approval by the SC or, in the event no SC is established, the POs. Cooperative Project Personnel will not act as liaison officers for their parent organizations or governments. However, such personnel may act from time to time on behalf of their SC representative (or PO as applicable), if the latter so authorizes in writing.

1.3. Cooperative Project Personnel will not be assigned to command or other positions that would require them to exercise responsibilities that are reserved by law or regulation to an officer or employee of the host Government.

2.0. Security.

2.1. The U.S. DoD and Norwegian MoD SC representatives (or POs as applicable) will establish the maximum level of security clearance required, if any, to permit Cooperative Project Personnel to have access to Classified Information and facilities in which Classified Information is used in accordance with the Project Security Instruction (PSI) and Classification Guide (CG). Access to Classified Information and facilities in which Classified Information is used will be consistent with, and limited by, Article III (Objectives) and Article IV (Scope of

Work) of this PA and the corresponding provisions of this Annex, and will be kept to the minimum required to accomplish the work assignments.

2.2. The parent Party shall file visit requests for the Cooperative Project Personnel through prescribed channels in compliance with the host Party's procedures. The Parties will cause security assurances to be filed, through their respective embassies, specifying the security clearances for the Cooperative Project Personnel being assigned. The security assurances will be prepared and forwarded through prescribed channels in compliance with established procedures.

2.3. The Parties will ensure that both Norwegian MoD and U.S. DoD personnel assigned to the JPO or field activities are made aware of, and required to comply with, applicable laws and regulations as well as the requirements of Article VIII (Disclosure and Use of Project Information), Article IX (Controlled Unclassified Information), and Article XI (Security) of the Agreement, and the corresponding provisions of this Annex, and the PSI and CG. Prior to commencing assigned duties, CPP will, if required by the host Party's laws, regulations, policies, or procedures, sign a certification concerning the conditions and responsibilities of CPP.

2.4. Cooperative Project Personnel will at all times be required to comply with the security and export laws, regulations, and procedures of the host Party, as briefed in accordance with paragraph 3.2 of this Annex. Any violation of security or export procedures by Cooperative Project Personnel during their assignment will be reported to their parent organization and government for appropriate action. Cooperative Project Personnel committing willful violations of security or export laws, regulations, or procedures during their assignments will be withdrawn from the Project with a view toward appropriate administrative or disciplinary action by their parent organization and government.

2.5. All Classified Information made available to Cooperative Project Personnel will be considered as Classified Information furnished to the Norwegian MoD or U.S. DoD and will be subject to all of the provisions and safeguards provided for in this PA, this Annex, the Agreement, the PSI and the CG.

2.6. Cooperative Project Personnel will not have personal custody of Classified Information or Controlled Unclassified Information, unless approved by the Project Office and as authorized by the parent organization. They will be granted access to such information in accordance with the provisions of the PSI during normal duty hours when access is necessary to perform Project work. They may not have unsupervised access to classified libraries or operating centers, or to document catalogues, unless the information therein is releasable to the public.

2.7. Cooperative Project Personnel will not serve as a conduit between the U.S. DoD and the Norwegian MoD for requests for and/or transmission of Classified Information or Controlled Unclassified Information unless specifically authorized by the PSI.

3.0. Administrative Matters.

3.1. Consistent with host Party's laws and regulations, Cooperative Project Personnel will be subject to the same restrictions, conditions, and privileges as host Party personnel of comparable rank and in comparable assignments. Further, to the extent authorized by the host Party's laws and regulations, Cooperative Project Personnel and their authorized dependents will be accorded:

3.1.1. Exemption from any host Party tax upon income received from their parent organization or government.

3.1.2. Exemption from any host Party customs and import duties or similar charges levied on items entering the country for their official or personal use, including their baggage, household effects, and private motor vehicles.

3.2. Upon or shortly after arrival, Cooperative Project Personnel will be informed by the Project Office or host Party field activities about applicable laws, orders, regulations, and customs and the need to comply with them. Cooperative Project Personnel will also be provided briefings arranged by the Project Office or host Party field activities regarding applicable entitlements, privileges, and obligations such as:

3.2.1. Any medical and dental care that may be provided to Cooperative Project Personnel and their dependents at the host Party's medical facilities, subject to applicable laws and regulations, including reimbursement when required by such laws and regulations.

3.2.2. Purchasing and patronage privileges at military commissaries, exchanges, theaters, and clubs for Cooperative Project Personnel and their dependents, subject to applicable laws and regulations.

3.2.3. Responsibility of Cooperative Project Personnel and those dependents accompanying them to obtain motor vehicle liability insurance coverage in accordance with laws and regulations applicable in the area where they are residing. In case of claims involving the use of private motor vehicles by Cooperative Project Personnel and their dependents, the recourse will be against such insurance.

3.3. The POs, through the JPO and host Party field activities, will establish standard operating procedures for Cooperative Project Personnel in the following areas:

3.3.1. Working hours, including holiday schedules.

3.3.2. Leave authorization, consistent to the extent possible with the military or civilian personnel regulations and practices of both Parties.

3.3.3. Dress regulations, consistent to the extent possible with the military or civilian personnel regulations and practices of both Parties.

3.3.4. Performance evaluations, recognizing that such evaluations must be rendered in accordance with the providing Party's military or civilian personnel regulations and practices.

3.4. Cooperative Project Personnel committing an offense under the laws of the government of either Party may be withdrawn from this Project with a view toward further administrative or disciplinary action by the providing Party. Disciplinary action, however, will not be taken by the host Party against Cooperative Project Personnel from the providing Party, nor will Cooperative Project Personnel from the providing Party exercise disciplinary authority over host Party personnel. In accordance with the host Party's laws, regulations, and procedures, the host Party will assist the providing Party in carrying out investigations of offenses involving Cooperative Project Personnel.

4.0. Financial Matters

4.1. The Parent Party's responsibility will include the following costs of Cooperative Project Personnel:

4.1.1. All pay and allowances.

4.1.2. Transportation of the Cooperative Project Personnel, the Cooperative Project Personnel's dependents, and their personal property to the place of assignment in the host Party's nation prior to the Cooperative Project Personnel's commencement of a tour of duty in the JPO or field activity, and return transportation of the foregoing from the place of assignment in the host Party's nation upon completion or termination of the tour of duty.

4.1.3. Compensation for loss of, or damage to, the personal property of Cooperative Project Personnel, or the Cooperative Project Personnel's dependents, subject to the parent Party's laws and regulations.

4.1.4. Preparation and shipment of remains and funeral expenses in the event of the death of Cooperative Project Personnel or the Cooperative Project Personnel's dependents.